

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 1997-239-C - ORDER NO. 2002-13
JANUARY 10, 2002

IN RE: Proceeding to Establish Guidelines for an) ORDER GRANTING
Intrastate Universal Service Fund.) RECONSIDERATION
) AND CLARIFICATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition of the South Carolina Telephone Association (SCTA) for reconsideration or clarification of Commission Order No. 2001-1088, issued on November 30, 2001.

We would note that Commission Order No. 2001-1088 rules upon, and grants in part, the Petitions for Rehearing and/or Reconsideration filed by the Consumer Advocate for the State of South Carolina (the Consumer Advocate) and the Southeastern Competitive Carriers Association (SECCA).

SCTA notes that the second full paragraph on page 4 of the Order begins with a discussion of SECCA's assertion that the Commission's orders in this docket do not support the inclusion of a provision in the State Universal Service Fund Guidelines and Administrative Procedures relating to a 66.67% cap on the amount a carrier of last resort may withdraw from the State Universal Service Fund (USF) during the second phase. Beginning on page 2 of Order No. 2001-1088, that Order noted that Commission Order No. 2001-419 specifically adopted those parts of the SCTA proposal

that were not inconsistent with the specific recommendations adopted in the order, and described the benefits of the phased-in approach. These points appear in Paragraph 13 of Order No. 2001-419. This Commission in Order No. 2001-1088 goes on to reject SECCA's assertion that the orders issued in this docket do not support the inclusion of this provision in the documents, and states, "We disagree, and hold that this is required by paragraph 22 of Order No. 2001-419."

SCTA further notes that paragraph 22 of Order No. 2001-419 does not relate to the issue of a phase-in of State USF, or capping the maximum amounts that may be withdrawn in any given phase. Paragraph 22 concludes that it is reasonable for the Commission to require that results from cost studies be updated by each local exchange carrier (LEC) before that LEC's State USF withdrawal exceeds one-third of its company-specific amount. SCTA states that this paragraph seems to address the issue raised in point 3.b on page 5 of the SECCA petition, wherein SECCA asserts that similar language contained in Section 9, bullet 7, page 8 of the approved USF Guidelines is "new and different" from prior versions.

Accordingly, SCTA requests reconsideration or clarification of Order No. 2001-1088. We grant reconsideration and clarification. Clearly, paragraph 22 of Order No. 2001-419 does not address the phase-in of the State USF. This appears to be a scrivener's error. We therefore strike the reference to paragraph 22 from that paragraph. We hold that the provisions of Paragraph 13 of Order No. 2001-419 specifically support the rejection of SECCA's assertion that the orders issued in this docket do not support the inclusion relating to a 66.67% cap on the amount a carrier of last resort may withdraw from the

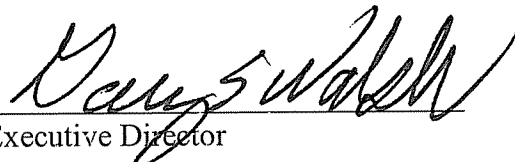
State USF during the second phase. Clearly, we intended to adopt those parts of SCTA's original proposal, including modifications in the State USF guidelines, that are not inconsistent with the specific recommendations adopted by us in Order No. 2001-419. We think the cap provision as described above fits into this category.

Reconsideration and clarification is therefore granted as described above. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)